

SBA

SOP 20 15 1

Relocation Allowance

Office of the Chief Financial Officer

U.S. Small Business Administration

**SMALL BUSINESS ADMINISTRATION
STANDARD OPERATING PROCEDURE
NATIONAL**

SUBJECT: RELOCATION ALLOWANCE	S.O.P.		
	SECTION: 20	NO: 15	REV: 1

INTRODUCTION

1. **Purpose:** To provide standard operating procedures concerning relocation allowances for Small Business Administration (SBA) employees making a permanent change of official duty station, employees reporting to and leaving from posts of duty outside the coterminous United States, and employees in long-term training.
2. **Personnel Concerned:** All employees involved with relocating, officials who have been designated to authorize and approve travel, employees responsible for preparing or examining relocation reimbursement vouchers, and those responsible for payment of relocation expenses.
3. **Directives Canceled:** SOP 20 15 and all revisions thereto.
4. **Originator:** Denver Finance Center, Office of the Chief Financial Officer.

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		PAGE: 1

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Chapter 1

Overview

1. Why was this Standard Operating Procedure (SOP) Written?

This SOP was written to help SBA employees understand relocation procedures. This will make it easier to process needed paperwork and reduce the anxiety of relocating to a new duty station.

2. Who Do I Contact if this SOP Does Not Fully Cover My Situation or Relocation Questions?

You should contact the Denver Finance Center (DFC) Change of Station Desk at (303) 844-3789. Please refer to your SBA telephone directory for the current number or the DFC HelpDesk at (303) 844-3780.

3. What Laws or Regulations Govern the Relocation Program?

5 United States Code (U.S.C.) 5721-5733, 5742, and 41 Code of Federal Regulation (CFR) 302.

4. *What Key Terms and Definitions Do I Need to Know to Navigate through this SOP?*

- a. **Agency.** The U.S. Small Business Administration (SBA) or other "executive agency" as defined in 5 U.S.C. 105.
- b. **Combined Marginal Tax Rate (CMTR).** A single rate determined by combining the applicable marginal tax rates for Federal, State, and local income taxes.
- c. **Commuted Rate.** This is the method of payment used when you hire your own mover or when you use a "U-Haul" type vehicle to move your household goods.
- d. **Conterminous United States (CONUS).** The 48 contiguous States and the District of Columbia.
- e. **Earned Income.** For the purpose of the Relocation Income Tax (RIT) allowance, "earned income" will include only your gross compensation that is reported as income on IRS Form W-2 for the employee and employee and spouse if filing jointly, the net earnings or loss shown on IRS 1040 Schedule SE, or self employment income. Earned income can be from more than one source. It includes your:

- (1) Salary;
 - (2) Wages; and
 - (3) Other compensation such as moving expense reimbursements, the related Withholding Tax Allowance (WTA), and any RIT allowance paid for moving expense reimbursement in a prior year.
- f. Effective Date of Transfer or Appointment.** The date on which an employee or new appointee reports for duty at his or her new or first official station.
- g. Employee.** A currently onboard Federal employee.
- h. Federal Withholding Tax Rate (FWTR).** The tax rate applied to incremental income to determine the amount withheld from salary or other compensation such as moving expense reimbursement.
- i. Government Bill of Lading (GBL).** The document issued to a third party which allows them to bill the Government directly to pay for the shipping of your household goods, mobile home, or vehicle. The use of the GBL is called the actual expense method.
- j. Gross-up.** Payment for the estimated additional income tax liability incurred by an employee as a result of reimbursements or payments by the Government for the taxable moving expenses.
- k. Gross-up Formulas.** The formula used to compute the amount of “gross-up” for the WTA and the RIT allowance.
- l. Household Goods.** Personal property and personal effects that can be legally accepted and transported by an authorized commercial carrier. The Agency does not consider the items below to be household goods:
- (1) Boats, airplanes, mobile homes, camper trailers, and farming vehicles;
 - (2) Live animals, birds, fowl, and reptiles;
 - (3) Cordwood and building materials; and
 - (4) Property for resale, disposal, or commercial use rather than for use by the employee.
- m. Immediate Family.** An employee's household. Typically, this may include a spouse, children who are unmarried and less than 21 years of age, and other dependents such as disabled adult children, parents (including step-parents and

legally adoptive parents), and siblings. Generally, someone is considered a dependent if at least 51 percent of his/her support is from the employee or employee's spouse. However, exceptions to this percentage may apply.

- n. **Local Income Tax.** A tax imposed by a city or county tax authority that is deductible for Federal income tax purposes as a local income tax under section 164 (a) (3) of the Internal Revenue Code (IRC).
- o. **Marginal Tax Rate (MTR).** The tax rate relevant to the tax bracket for your earned income. The General Services Administration (GSA) at the beginning of each calendar year publishes the Federal and State marginal tax rates.
- p. **Mobile Home.** All types of house trailers and mobile dwellings for use as a home. They move overland, either by being self-propelled or towed.
- q. **New Appointee.** An individual who has accepted a position with a Federal agency not presently working for the Federal Government. This includes student trainees and individuals who have previously worked for the Federal Government and have had a break in service.
- r. **Non-Temporary Storage.** Storage of household goods while an employee is assigned someplace where they cannot use or transport their household goods.
- s. **Official Station or Post of Duty.** The location where an employee regularly reports for duty.
- t. **Relocation Income Tax (RIT) Allowance.** An allowance to reimburse employees for most of the additional Federal, State, and local income taxes incurred because of the move (employee, or employee and spouse if a joint tax return is filed).
- u. **State Income Tax.** A tax imposed by a State tax authority that is deductible for Federal income tax purposes as State income tax under section 164 (a) (3) of the IRC.
- v. **Taxable Entitlement.** The entitlement on which the Agency is required to withhold Federal taxes, Social Security, Medicare, and State taxes. It includes Government reimbursements/payments for:
 - (1) En-route meals;
 - (2) Temporary quarters;
 - (3) Real estate expenses;

- (4) Miscellaneous expense; and
- (5) Storage over 30 days.
- w. **Temporary Quarters.** The quarters to be used at your old and/or new duty station while looking for a new permanent residence.
- x. **Temporary Storage.** Storage of household goods for a limited time.
- y. **United States.** The 50 states and the District of Columbia.
- z. **Vehicle Authorized for Shipment Outside of Conterminous United States.** A vehicle used by the employee or their immediate family at their official station may be shipped at Government expense when circumstances do not permit driving to a new duty station outside the conterminous United States.
- aa. **Withholding Tax Allowance (WTA).** The prepayment of your Federal taxes.
- ab. **Year 1 or Reimbursement Year.** The calendar year when reimbursement or payment for moving expenses is made to/for the employee under this SOP.
- ac. **Year 2.** The calendar year in which a claim for the RIT allowance is paid. Generally, Year 2 is the year immediately following Year 1. However, there may be instances where the employee's submission of claim may be delayed beyond the year immediately following Year 1. Year 2 is always the year in which the RIT allowance is paid.

Chapter 2

What Do I Need to Know When I Am the Supervisor of a Transferred Employee?

1. Who Reviews Relocation Requests?

- a. Recommending Official:** Usually the official in charge of Field Operations serves as the recommending official for personnel in the field. The head of the program office serves as the recommending official for personnel moving to Headquarters.
- b. Authorizing Official:** Once the recommending official approves a proposed relocation, the expenses are authorized by the official in charge of the office providing the funding. Normally, the office to which the employee is relocating would provide the funding.
- c. Approving Official:** The SBA Form 785, “Change of Station Approval Request & Travel” may be approved by the following individuals as appropriate:

	Employee being Relocated	Administrator	Deputy Administrator	Inspector General	Chief of Staff	Chief Financial Officer	ADA for Mgmt. & Adm.	Mgmt. Board Members	Deputy CFO	Dep. Chf. Counsel/Advocacy	Deputy General Counsel	Deputy IG	Headquarters Employees	Regional Administrator	Field Employees	
Designated Approving Officials																
Administrator		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Deputy Administrator			x	x	x	x	x	x	x	x	x	x	x	x	x	x
Inspector General		x			x	x	x	x	x	x	x	x	x	x	x	x
Chief of Staff						x	x	x	x	x	x	x	x	x	x	x
Chief Financial Officer							x	x	x	x	x	x	x	x	x	x
ADA for Mgmt. & Adm.								x	x	x	x	x	x	x	x	x
Deputy Chief Financial Officer										x	x	x	x	x	x	x
Regional Administrator																x

2. What Must I Consider Before Recommending or Authorizing Relocation Expenses?

a. Decide if relocation expenses will be paid using the following considerations:

- (1) Labor market conditions;
- (2) Cost effectiveness;
- (3) Equal Employment Opportunity objectives;
- (4) Shortage categories; and/or
- (5) Unemployment rates in the area.

Important! When you decide that relocation expenses are not warranted on a merit promotion vacancy, the announcement must clearly state "**Payment of Relocation Expenses is Not Authorized.**" Otherwise, the Agency is obligated to pay expenses for individuals chosen from outside the local commuting area. Please take special care to inform appointees, preferably in writing, of SBA's relocation expense policy to prevent any misunderstanding by those who are not eligible for relocation expenses.

b. When you authorize a change of official station, the Agency incurs expenses and pays allowances as provided below.

- (1) For an employee transferring from one official duty station to another for permanent duty:
 - (a) The transfer is in the interest of the Government and is not primarily for the employee's convenience or benefit; and
 - (b) The transfer is to a new official duty station that is at least 40 miles from the old official station. The Chief Financial Officer can approve exceptions if the hiring supervisor can justify the relocation authorization and the distance from the new official duty station and the old official duty station is at least 10 miles.

- c. Use the following table to determine relocation allowance.

	Covered	May Not Be Covered
Employees upon permanent transfer from one official station to another	X	
Employees assigned to posts of duty outside the conterminous United States in connection with overseas tour renewal agreement travel and upon return to places of residence for the purpose of separation.	X	
New appointees to any positions outside the conterminous United States	X	
New appointees to any positions within the conterminous United States for which the Office of Personnel Management has determined that a personnel shortage exists.	X	
Student trainees assigned upon completion of college work to positions within the 50 states and the District of Columbia for which the Office of Personnel Management has determined that a personnel shortage exists.	X	
Other new appointees.		X
New appointees to the Senior Executive Service.	X	
Certain Presidential appointees.	X	
Persons not employed by an agency of the United States Government.		X

What Must I Consider Before Authorizing Travel?

When you determine that relocation at Government expense is warranted, you must issue a written authorization prior to the employee's relocation to the new official station. You should advise the employee, or individual selected for appointment, not to incur relocation expenses in anticipation of a move until DFC has sent him/her written notification authorizing the relocation. The travel authorization will indicate which allowances are authorized.

What Relocation Expenses Can SBA Reimburse if the Employee is a New Appointee to the Federal Government?

The Federal Travel Regulations (FTR, 41 CFR 302) is very specific as to what can and cannot be paid by the Agency. The following is the complete list of what a new appointee can claim when relocating to a new position.

- a. Travel expenses including per diem for the appointee or student trainee.

- b.** Transportation for immediate family of the appointee or student trainee.
- c.** Mileage if a privately owned vehicle is used in travel and determined to be most advantageous to the Government.
- d.** Transportation and temporary storage of household goods as set forth in Chapter 4, paragraph 2 of this SOP.

Chapter 3

What Do I Need to Know When I Find Out that I Am Being Transferred?

1. What Entitlements Do I Receive When I Move?

What the Agency is required to pay and what is a negotiable expense changes based on your specific circumstances. Make sure you contact the Denver Change of Station Desk to find out your entitlements.

2. How Much Advance Notice Do I Get to Move?

The Agency's guiding principle is that SBA must give you as much advance notice as possible to allow you to begin making necessary arrangements. Moreover, the Agency takes emergency circumstances into account in determining whether the period of advance notice is reasonable. **At least 30 days** advance notice is typical, except when:

- a. All parties agree on a lesser period;
- b. Statutes or regulations stipulate a lesser period (see Office of Personnel Management regulations for specified time frames); and
- c. Emergency circumstances prevail, as determined by the Office of the Chief Financial Officer.

3. What Forms Must I Sign to Make My Change of Duty Station Official?

- a. SBA Form 785, "Change of Station Approval Requests and Travel Authorization," is the authorizing form. You must complete the SBA 785 and have it signed by the authorizing official before you can incur any expenses in connection with your change of duty station.
- b. SBA Form 749, "Employee Agreement," is a required form stating that you will stay in the service of the U.S. Government for a period of 1 year after reporting to your new duty station. If you do not complete this year, you may have to repay expenses that the Agency has incurred or for which you have been reimbursed.
- c. SBA Form 2072, "Statement," is a form to help avoid any misunderstanding about your Federal taxes. You sign this form which affirms that you understand the Government will prepay any Federal taxes, and that you must submit an application for the "**Relocation Income Tax Allowance.**" If the Federal tax pre-paid by DFC on your behalf exceeds the amount of your RIT, you will have to repay the difference back to DFC.

4. What Happens if I Do Not Fulfill My Service Agreement?

Unless you are separated for reasons beyond your control or SBA's Chief Financial Officer accepts your written request for relief, you must pay back all Agency funds spent on your move including travel, transportation, and advances. Requests for relief submitted by employees in the Office of Inspector General (OIG) are subject to the Inspector General's (IG) approval.

5. Once I Sign all the Paperwork, How Much Time Do I Have Before Moving?

- a.** The Agency wants you to report as soon as possible. The maximum time you have for beginning allowable travel and transportation cannot exceed 2 years from the effective date of your transfer or appointment. The exceptions are:
 - 1.** While serving active military duty; or
 - 2.** If you cannot travel outside CONUS to a duty station.
- b.** If SBA extends the limit on completion of residence transactions, then the 2-year clock may be extended for up to 1 additional year as determined by the Office of the Chief Financial Officer.

6. What Does the SBA Consider to be My Residence?

The Agency considers your residence to be your principal and actual dwelling place where you commute to and from work at your official duty station. Generally, this is where you physically reside at the time of selection for appointment or transfer. Your residence is established when you sign the SBA 785. If you own two residences or own and lease a residence, you are allowed reimbursement only for the residence from which you commute daily to your official duty station.

Important! If you are separated or divorced and you no longer reside at a residence, even though your name appears on the title, you are not eligible for reimbursement on the sale of that property. This is because it is not your primary residence from which you commute daily to your official duty station.

7. What is a Lease Break Entitlement?

You may be entitled to reimbursement for a settlement charge when breaking a lease if you are already a Federal employee when notified of your transfer, and:

- a.** You held interest in your property;
- b.** You occupy your residence at the time of transfer;

- c. The relevant laws or terms of your lease provide for the payment of settlement expenses;
- d. You cannot avoid expenses even with a sublease or other arrangements;
- e. You did not contribute to the expenses by failing to give proper notice promptly when you had a definite decision of transfer; or
- f. Brokers' fees or advertising charges are not in excess of those customarily charged for comparable services in your area.

NOTE: This entitlement is not available to new appointees or employees assigned under the Government Employee Training Act.

8. What is the SBA Policy on Advancing Funds to Cover My Moving Expenses?

The Agency will advance you funds to use while traveling and for certain expenses incident to a transfer. The expenses listed below are used to determine the size of a travel advance:

- a. Per diem, mileage, and common carrier costs;
- b. Authorized house-hunting trip;
- c. Subsistence while occupying temporary quarters; and/or
- d. Transportation and temporary storage of household goods, mobile homes, etc. (if you don't use the actual expense method).

9. Are Moving Entitlements and Reimbursements Taxable?

Yes, but don't worry. You will receive a statement, the SBA 2072, which explains your tax liability. The Agency withholds part of your reimbursements and pays you an RIT allowance. Everything the Agency reimburses or pays on your moving expenses is reported on Form W-2, "Wage and Tax Statement." The Agency reports amounts paid which are not subject to tax withholding as "other compensation paid," and amounts subject to tax withholding as "wages paid subject to withholding." The Agency will prepay the Federal income tax on your taxable entitlement. You are responsible for any State taxes, local taxes, and FICA or Medicare payments. For example:

You submit a voucher for \$1,000.00. Your statement shows that your tax liability would be \$175.70 and, subtracted from the original \$1,000.00 dollar claim, your reimbursement would be \$824.30. This is figured as follows:

\$1,000.00
<u>388.90</u> WTA
\$1,388.90 total taxable entitlement

- 388.90 Federal income tax (pre-paid by DFC)
- 86.11 share of FICA (your tax liability)
- 20.14 share of MediCare (your tax liability)
- 69.45 share of State tax (your tax liability)
- \$ 824.30 your reimbursement

10. What Forms Must I Complete to be Reimbursed for Incurred Expenses?

- a. Standard Form 1012, "Travel Voucher." You must complete a travel voucher anytime you submit a claim for reimbursement.
- b. SBA Form 1417, "Temporary Quarters Subsistence Expenses." You must complete this form with the **actual expenses** that you have incurred.
- c. SBA Form 880, "Employee Application For Reimbursement Of Expenses Incurred Upon Sale Or Purchase (Or Both) Of Residence Upon Change Of Official Station." A very long name for a very important form. You must complete this form upon sale and/or purchase of your residence.
- d. SBA Form 21, "Travel Authorization." You must complete this form before you request any travel advances needed to defray expenses incurred on your change of station. **This form will not be used to authorize any expenses incurred for the travel and transportation for your change of duty station.**

11. What Are "Relocation Services"?

"Relocation Services" are services provided by a private company under contract with an agency to assist a transferred employee in relocating to the new official station. Examples include home sale programs, home marketing assistance, home finding assistance, and property management services. **At the present time, the SBA does not authorize relocation services.**

Chapter 4

What Do I Need to Know About Transportation Expenses?

1. What Can I Claim as an Expense and What Are the Limits on What I Can Spend?

An easy way to look at expenses is to examine how the SBA 785 is broken out by categories. An explanation of the most important ones and spending limits are presented below.

a. Subsistence Expenses.

- (1) You are allowed to claim per diem instead of itemized subsistence expenses, transportation costs, and other travel expenses.
 - (a) Within CONUS, the maximum per diem rate allowable for travel is \$80.00 per day for subsistence while traveling. If you travel less than 12 hours, during change of official duty station, you cannot claim per diem allowance for that day.
 - (b) Outside CONUS, the 12-hour per diem rule does not apply.
- (2) You may be able to claim travel expenses for your immediate family, including transportation. Travel of the immediate family may begin at your old official duty station or some other point and may end at the new official duty station. However, the cost to the Government for transportation of the immediate family must not exceed the allowable cost by the usually traveled route between the employee's old and new official duty stations. If you are a new appointee, you can only claim transportation costs for your immediate family.
- (3) If you are a Federal employee, your immediate family while traveling between the old and new official stations may incur per diem instead of subsistence expenses. If the actual travel involves departure and/or destination points other than the old or new official station, the per diem allowance cannot exceed the amount members of the immediate family are entitled to, taking the most common route between the old and new official duty stations. In computing the per diem allowance under provisions of SOP 20 11, "Travel," use the 12-hour limitation provision for travel of 24 hours or less. The maximum per diem rates are as follows:
 - (a) **For Your Accompanied Spouse.** Your spouse is authorized 3/4 of the per diem rate to which you are entitled when accompanying you.

- (b) **For Your Unaccompanied Spouse.** If your spouse is traveling without you, he or she can claim the full per diem rate you would claim.
- (c) **For Each Other Member of Your Immediate Family.** You can claim 3/4 of the per diem rate for immediate family members 12 years or older (up to age 21, unless they are physically or mentally disabled as determined by a medical official) and 1/2 of the per diem rate for those younger than 12 years old.
- b. A privately owned vehicle (POV) is allowed, with or without your family, if the Agency decides it is advantageous to the Government.

- (1) Standard mileage rates paid by the Agency are:

<u>Occupants of Automobile</u>	<u>Mileage rates (cents)</u>
Employees only; or one member of immediate family.	15
Employee and one member of family; or two members of immediate family.	17
Employee and two family members; or three members of family.	19
Employee and three or more members; or four or more members of immediate family.	20

- (2) Higher mileage rates may be prescribed by authorizing officials, but not more than 20 cents for the following reasons:
- (a) Official business is expected to be conducted with the POV while you are assigned to the new duty station.
- (b) Significant cost savings make it advantageous to the Government. If the common carrier rates for the facilities provided between the old and new duty stations, the related constructive taxicab fares to and from terminals, and the per diem justify a higher mileage rate.
- (c) Traveling outside CONUS. If the costs of driving the POV to, from, or between official duty stations located outside CONUS justify a higher mileage rate as advantageous to the Government.
- (3) Three hundred miles per day and actual travel time. Per diem allowances are paid using the actual time used to complete your trip; however, you must cover an average of 300 miles per calendar day. Your authorizing

official can grant **exceptions** to the daily minimum driving distance if you are delayed for reasons clearly beyond your control. You must provide a statement on your reimbursement voucher fully explaining the circumstances that necessitated the delay.

- (4) Mileage and per diem example: If the authorizing official prescribes a per diem rate of \$80.00 for the employee and a reasonable minimum driving distance of 300 miles a day, the per diem amount is \$16.50 for each 75 miles or fractions of 75 miles traveled between the old and new official duty stations.
- (5) More than one vehicle. The Agency normally authorizes only one POV. However, you may be authorized more if:
 - (a) You have a large family and one vehicle cannot reasonably transport all family members and luggage;
 - (b) A family member (elderly, disabled, etc.) requires special accommodations;
 - (c) Travel is delayed by family members to the new duty station for acceptable reasons such as completion of a school term, sale of property, settlement of personal business affairs, disposal or shipment of household goods, etc;
 - (d) If a member of immediate family performs unaccompanied travel between authorized points other than those for the employee's travel; and/or
 - (e) Your family must travel in advance of your reporting date to the new location for acceptable reasons such as to enroll children in school at the beginning of the term.

EXAMPLE:

You leave your old duty station with your spouse and two children. One child is under 12 years of age, and the other is 16. Your new duty station, per the standard highway mileage guide, is 1750 miles away. You are traveling with two automobiles **but only one is authorized**. The mileage rate you can claim is \$.17 in one car \$.03 in the other car, as the maximum allowed is \$.20 per mile. You must average 300 miles per day.

If you depart your old duty station on the 1st of July, you have to arrive on the 6th of July. If you arrive after the 6th, any expenses that you incur will be considered personal. Mileage in excess of 1750 miles must be explained on the voucher.

Your per diem is computed at the rate for lodging of \$50 per night for you, \$37.50 each for your spouse and child over 12, and \$25 per night for your child under 12. The maximum lodging expense is \$150.00. Your meals and incidental expenses are \$30 for you, \$22.50 each for spouse and older child, and \$15 for your younger child. Your daily M&IE rate is \$78.00. You depart

after 6am and arrive at your new duty station before 6pm. Arrival and departure days are reimbursed at $\frac{3}{4}$ of per diem.

Actual Lodging Costs:	
1st night	\$ 70
2nd night	150
3rd night	60
4th night	100
5th night	<u>75</u>
Actual Lodging Expense Incurred	\$ 455
Lodging expense paid	
(\$150/night max, \$30 disallowed)	\$455
Mileage (1750 times \$.20)	350
M&IE -- 5-1/2 days at \$78/day	522.50
Other travel expenses (i.e. tolls)	<u>0</u>
TOTAL EXPENSES PAID	\$1327.50

c. Miscellaneous expenses are allowed to defray the costs of discontinuing a residence at one location and establishing residence at a new location. The Agency will pay employees eligible for a miscellaneous expense allowance without support or other documentation of expenses. Allowance amounts paid are as follows:

- (1) **Without a family.** A fixed rate amount of \$350 requiring no receipts or the equivalent of a week's basic pay, whichever is the lesser amount, will be paid to an employee without immediate family.
- (2) **With a family.** A fixed rate amount of \$700 requiring no receipts or the equivalent of 2 weeks basic pay, whichever is the lesser amount, will be paid to an employee with immediate family.
- (3) **Exceeding the limits.** If an employee chooses to itemize miscellaneous expenses, amounts cannot exceed 2 weeks basic pay of a grade GS-13, step 10, at the time that you reported for duty. You must provide all receipts for any itemized expense and receive prior approval from your new manager and the Director of DFC.

d. **Allowable miscellaneous expenses include:**

- (1) Fees for disconnecting and connecting appliances, equipment, and utilities involved in relocation and costs of converting appliances for operation on available utilities;
- (2) Fees for unblocking and blocking a mobile home and other related expenses, but not the transportation expenses;

- (3) Fees for cutting and fitting rugs, draperies, and curtains moved from one residence to another;
- (4) Non-refundable utility fees or deposits;
- (5) Forfeiture losses on non-transferable contracts such as for medical and dental service, food locker contracts, and non-refundable/transferable contracts for private institutional care such as provided for disabled or invalid dependents; and/or
- (6) Miscellaneous automobile costs such as registration, drivers license, and use taxes imposed when bringing automobiles into certain jurisdictions.

e. Miscellaneous expenses not allowed include:

- (1) Losses in selling or buying real and personal property and cost items related to such transactions;
- (2) Additional insurance costs while in transit to new official duty station or cost of loss or damage to property;
- (3) Costs of newly acquired items, such as the purchase or installation cost of new rugs or draperies;
- (4) Medical expenses due to illness or injuries of the employee or members of immediate family; and
- (5) Costs incurred for structural alterations and replacing or repairing defective items shipped to the new location. Items damaged during shipment are insured.

2. What Do I Need to Know about the Transportation and Temporary Storage of My Household Goods?

The Agency pays the transportation costs of household goods whether the shipment originates at the employee's last official duty station or place of residence or at some other point, or if part of the shipment originates at the last official duty station and the remainder at one or more other points. Similarly, these expenses are allowable whether the shipping destination is the new official duty station or to one or more other points.

a. Transportation of household goods.

- (1) The maximum weight of household goods the Agency will pay to transport or store is 18,000 pounds net weight. Net weight is determined

by weighing the truck prior to loading and then re-weighing it once loaded prior to final destination.

- (2) In excess of the maximum, where the weight of professional books, papers and equipment would cause an employee's household goods to exceed the maximum allowance, the Agency will pay to have them shipped. The term "professional books, papers, and equipment" means those items and materials that the employee uses in the performance of official duties. Office, household, or shop fixtures and furniture such as bookcases, file cabinets, desks, and racks are excluded. Authority to transport professional books, papers, and equipment as an administrative expense is subject to Agency policy and discretion. Contact the Permanent Change of Station Desk at DFC if you need help with these guidelines.
- (3) If you move your own household goods uncrated in a van or similar conveyance, the net weight will be that shown on the bill of lading or on the weight certificate. This includes the weight of barrels, boxes, cartons, and similar materials used in packing, but does not include pads, chains, dollies, and other equipment needed to load and secure the shipment. When using a noncommercial means of shipment, the above provisions are used to determine the net weight.
- (4) Contact the Denver Change of Station Desk if your situation is not covered in the items above.

b. Temporary storage of household goods.

- (1) Normally, the Agency will pay for temporary storage for 90 days for an authorized shipment of household goods. This period also applies when an employee returns to his or her place of actual residence for leave before serving a new tour of duty outside the conterminous United States provided storage is used instead of furnished quarters.
- (2) Extensions beyond 90 days may be authorized under certain conditions. You must request an extension in writing to the Director of DFC. Your approving official must sign your request.

c. Damaged household goods. The Agency's liability for the loss or damage of your household goods is limited to those shipped by Government Bill of Lading. You must make claims for loss or damage to the CFO within 2 years. You can get further instructions concerning loss or damage claims on the reverse side of SF-1130b, "U.S. Government Bill of Lading Memorandum Copy-Consignee." The maximum claim payment is \$15,000.

d. Administrative leave to pack and unpack. You are excused for up to 2 days without charge to your leave to supervise the packing of household goods and up to 2 days for unpacking them. You must clear this leave with your supervisor prior to taking it.

e. How the Agency helps. Generally, the Agency strives to make your move easier by making many of the arrangements. The Agency selects the carrier, arranges for carrier service, arranges for packing and crating, prepares the Government Bill of Lading (GBL), pays charges incurred, and processes any loss or damage claims.

When the weight of your household goods shipped exceeds the maximum, all of your goods still go on the GBL. You will reimburse the Agency for the cost of transportation and other charges applicable to the excess weight. The Agency will compute your share of the charges using the ratio of excess weight to the total weight of the shipment. In the event that another method must be used, please contact the Denver Change of Station Desk for guidance. When the GBL method is used, the Agency will provide full value insurance that is \$3.50 a pound, i.e. if you ship 10,000 lbs. you will have \$35,000.00 worth of insurance on your household goods.

f. Special rules for outside CONUS. There are special rules that apply to the transportation and storage of household goods at Government expense to/from and between points outside CONUS. Please contact the Denver Change of Station Desk for guidance if you are involved with such a move.

3. **May I Move My Mobile Home?**

- a. Primary residence. If you certify that the mobile home will be the primary residence at your new duty station, you may move it instead of the shipment of your household goods.
- b. **Geographic area.** The transportation of your mobile home must be within;
 - (1) CONUS;
 - (2) Alaska; or
 - (3) Through Canada en-route between Alaska and CONUS.
- c. Allowances for moving a mobile home are in addition to the per diem, mileage, and transportation expenses for you and your immediate family. This includes mileage if you tow your mobile home.
- d. Mileage is computed using the standard highway mileage guides or by speedometer readings. You must explain excess mileage.
- e. Living on an island. If you move to/from an island in CONUS or Alaska, and you use a ferry to transport your mobile home, DFC will allow the statute miles between the island and your point of departure or arrival. Use the mileage in the standard highway guides when available.
- f. Outside CONUS. When the points of departure or arrival are not in CONUS or Alaska, the distance allowed is the distance between CONUS and Alaska, and through Canada. Use the mileage in the standard highway guides when available.
- g. When transportation is by commercial carrier, normal charges, not to exceed tariffs as approved by the Interstate Commerce Commission or State regulatory body for intrastate moves, will be used. The carrier will explain significant excess highway mileage.
 - (1) Allowances may include:
 - (a) Ferry fares;
 - (b) Bridge, road, and tunnel tolls;
 - (c) Taxis;
 - (d) State or other Government authority charges for permits to transport mobile homes through their jurisdiction;

- (e) Carriers' charges for obtaining necessary permits;
 - (f) The cost of blocking and unblocking (including anchoring and unanchoring);
 - (g) The labor costs of removing the installing skirting;
 - (h) The cost of separating, preparing, and sealing each section for movement;
 - (i) The cost of reassembling the two halves of a double-wide mobile home; and
 - (j) Travel lift fees.
- (2) Allowances may not include:
- (a) Maintenance;
 - (b) Repairs;
 - (c) Storage;
 - (d) Insurance above the carriers' maximum liabilities on the value of the mobile home; and
 - (e) Charges to connect and disconnect appliances, equipment, and utilities involved in the move and charges for converting appliances for operation on available utilities. These costs will be covered under miscellaneous expenses (see paragraph 3).
- h.** Transportation by private means. If you tow your own mobile home, 11 cents per mile is the allowance. This includes your ferry fares, bridge, road, tunnel tolls, and similar charges. We will not pay any other allowances made in connection with the tow of your mobile home. The 11-cent allowance is in addition to the allowance for your car.
 - i.** Mixed methods of transportation. When the mobile home is transported by a mixed method of transportation, you compute the allowances defined above to the respective parts of the transportation.
 - j.** Government Bill of Lading (GBL). When the Agency decides the use of a GBL is in the interest of the Government, it will pay all charges. You are responsible

for any charges in excess of the maximum allowance for the transportation and the 90 days storage of household goods.

- k. The maximum amount allowed for the shipment of your mobile home may not exceed the maximum amount allowed for the transportation and temporary storage of your household goods.

4. Will SBA Pay to Ship My POV?

- a. Yes, if your new manager and the DFC determine:
 - 1. That this will reduce the Government's overall relocation costs by allowing transportation of a POV to your official station; and
 - 2. When it is advantageous and cost effective to the Government.
- b. Once SBA authorizes transportation of your POV, it will pay for all necessary and customary expenses directly related to the transportation of the POV, including crating and packing expenses, shipping charges, and port charges for readying the POV for shipment at the port of embarkation and for use at the port of debarkation.

Can SBA Limit My Reimbursement to Driving My POV Instead of Shipping It?

Yes. Your new manager and DFC will decide whether it is more advantageous for you and/or a member of your immediate family to drive your POV for all or part of the distance or to have it transported. If SBA decides that driving the POV is more advantageous, DFC will limit your reimbursement to the allowances provided in paragraph 4-1 that you and/or your immediate family incur en route.

Chapter 5

What Do I Need to Know About Real Estate Expenses?

1. What Are the Title and Occupancy Requirements for the Residences I Am Selling and Purchasing at My Old and New Duty Stations?

- a. You must hold title, or an immediate family member must hold title to the residence at your old or new duty station. The title must be in:
 - (1) Your name; or
 - (2) Your name and the name of an immediate family members; or
 - (3) An immediate family member's name.
- b. To be eligible for selling expense reimbursement, at the time you learn of your transfer you must:
 - (1) Hold interest in your property; and
 - (2) Occupy your residence.
- c. Exceptions to the above include:
 - (1) The title is held in trust;
 - (2) The financial institution holds the title in their name;
 - (3) You have a cosigners' name on the title;
 - (4) The seller holds the title in their name; or
 - (5) Your name and the name of an individual who is not a part of your immediate family are on the title.
- d. Verify all conditions are met by contacting the Denver Change of Station Desk.

2. What Can I Claim for Real Estate Expenses?

- a. The sale or unexpired lease at your old duty station, and the purchase of one residence at the new duty station are the normal allowances.
- b. Shared expenses. If you share expenses with a person other than your immediate family, your reimbursement is the portion you paid.

- c. Multiple occupancy residence. If your property is a duplex or any other type of multiple occupancy residence, your reimbursement is the portion of the residence that you occupy as your primary residence.
- d. **Expenses for which you should receive reimbursement include the following:**
- (1) Brokers' fees and real estate commissions.
 - (2) Advertising, selling, and appraisal expenses if these expenses are not already included as part of your brokers' fees or real estate commission.
 - (3) Legal and related expenses if they are included as part of your brokers' fees or real estate commission.
 - (4) Costs of preparing credit reports.
 - (5) Mortgage and transfer taxes.
 - (6) State revenue stamps.
 - (7) Prepayment of mortgage or other security instrument when the terms of the contract specify these charges. If the contract does not specify these items, but the lender customarily charges these expenses, they must not exceed 3 month's interest on the loan balance.
 - (8) Lender's mortgage title insurance.
 - (9) Expenses concerning the construction of a residence if these expenses are comparable to those of an existing residence.
 - (10) Charges similar to those listed above.
- e. **Additional expenses that may or may not be reimbursed.** Please check with the Denver Change of Station Desk before incurring the following expenses.
- (1) Federal Housing Authority (FHA) or Veteran's Administration (VA) loan application fees, except when these expenses cover any fee, cost or charge that is a finance charge.
 - (2) Loan fees including loan origination fees, loan assumption fees, and loan transfer fees.
Important! You will not be paid for loan assumption fees and loan transfer fees if these were already included in the loan origination fee.

You may not claim loan origination fees in excess of 1 percent, unless you show:

- (a) Prepaid interest was not part of the fee;
 - (b) Points;
 - (c) A mortgage discount; and
 - (d) The higher rate is customarily charged at the location of the residence.
- (3) Owners' mortgage title insurance if customarily required for the benefit of the buyer of your residence, instead of showing a marketable title by a title search, title abstract, or legal opinion.

f. Nonreimbursable expenses include:

- (1) Owner's mortgage title insurance, purchased for your benefit;
- (2) Interest on loans, points, and mortgage discounts;
- (3) Property taxes;
- (4) Operating or maintenance costs;
- (5) Finance charges covered by the Truth in Lending Act, Title I, Public Law 90-321, and Regulation Z according to Public Law 90-321; and
- (6) Expenses that result from the construction of your new residence.

- g. Failure to get comparable prices.** You may not claim losses due to a failure to sell your residence or purchase a residence at comparable prices.

Who is Not Eligible for Real Estate Allowances?

New appointees and employees assigned under the Government Employees Training Act are not eligible for real estate allowances.

4. What Must the Denver Change of Station Desk Provide to Ensure Proper Procedural and Control Requirements?

- a.** Denver Change of Station Desk must furnish the appropriate forms for claiming reimbursement for expenses of real estate transactions. The employee must provide documentation showing that the expense was in fact incurred and paid by the employee. Included in the required supporting documents (as appropriate) are copies of:
 - (1) The sales agreement;
 - (2) The purchase agreement;
 - (3) Property settlement documents;
 - (4) Loan closing statements; and
 - (5) Invoices or receipts for other bills paid.
- b.** The employee must prepare an appropriate voucher with supporting attachments. Reimbursement may be in two parts (i.e., a payment for expenses incurred in the sale of the former residence and a payment for expenses incurred in the purchase of a new dwelling).
- c.** The Denver Change of Station Desk must review the application for reimbursement of expenses for the sale of a residence. If items of cost appear to have been inflated or are higher than normally imposed for similar services in the locality, DFC will disallow any portion of such costs determined to be excessive.
- d.** DFC must receive technical assistance in determining the reasonableness of an expense from the local or area office of the Department of Housing and Urban Development (HUD) serving the area in which the expense occurred. The local office maintains and can furnish upon request a current Form HUD-92496, Schedule of Closing Costs, applicable to the area. The local office will also furnish upon request information concerning local custom and practices with respect to charging of closing costs related to either a sale or purchase, including information as to whether such costs are customarily paid by the seller or purchaser and the local terminology used to describe them. The mailing addresses for these offices are included in the U.S. Government Manual, published annually by the Office of the Federal Register, National Archives and Records Administration. A directory containing the addresses of all such offices (HUD Form 788) is available at any HUD office.

Chapter 6

What Do I Need to Know About Househunting?

1. What is a “Househunting Trip”?

The term “househunting trip” refers to a trip made by the employee and/or spouse to the new official station locality to find permanent living quarters to rent or purchase. The term “living quarters” in this part includes apartments, condominiums, and cooperatives in addition to townhomes and single family homes.

2. What is the Purpose of the Househunting Trip Expenses Allowance?

- a. The allowance for househunting trip expenses is to:
 - (1) Facilitate and expedite the employee’s move from the old official station to the new official station; and
 - (2) Lower the Government’s overall cost for the employee’s relocation by reducing the amount of time an employee must occupy temporary quarters.
- b. The allowance for househunting trip expenses provides the employee and/or spouse a period of time to concentrate on finding a suitable permanent residence at the new official station and thereby expedite the employee’s relocation.

3. Am I Eligible for a Househunting Trip Expenses Allowance?

You are eligible for a househunting trip expenses allowance if you are an employee authorized to transfer, and, in addition:

- a. Both your old and new official stations are located within the United States;
- b. You are not assigned to Government or other prearranged housing at the new official station; and
- c. Your old and new official stations are 75 or more miles apart (as measured by map distance) via a usually traveled surface route.

4. Who is Not Eligible for a Househunting Trip Expenses Allowance?

New appointees and employees assigned under the Government Employees Training Act are not eligible for a househunting trip expenses allowance.

5. Must SBA Authorize Payment of a Househunting Trip Expenses Allowance?

No. However, SBA will only reimburse you for any expenses if SBA determines it is in the Government's interest to authorize you a househunting trip.

6. Under What Circumstances Will I Receive a Househunting Trip Expenses Allowance?

You will receive a househunting trip expenses allowance if:

- a. Your new manager authorized you to perform a househunting trip in advance of the travel (the authorization must specify the mode of transportation and the period of time allowed for the trip);
- b. You have signed a service agreement; and
- c. SBA has established and informed you of the date you are to report to your new official station.

7. Who May Travel on a Househunting Trip at Government Expense?

Only you and/or your spouse may travel on a househunting trip at Government expense.

8. How Many Househunting Trips May SBA Authorize in Connection With a Particular Transfer?

Your new manager may authorize only one roundtrip for you and/or your spouse in connection with a particular transfer.

9. May My Spouse and I Perform Separate Househunting Trips at Government Expense?

Yes. However, your reimbursement will be limited to the cost that would have been incurred if you and your spouse had traveled together on one roundtrip.

10. How Soon May I and/or My Spouse Begin a Househunting Trip?

You may begin your househunting trip as soon as SBA, DFC has notified you of your transfer and issued a travel authorization for a househunting trip. To take maximum advantage of your trip, however, it is very important that you become familiar, as quickly as you can, with your new official station area (e.g., housing market conditions, school locations, etc.). If you are selling your residence at your old official station, you should not begin your househunting trip until you have a current appraisal of the value of the residence so that you can more accurately determine the appropriate price range of residences to consider during your househunting trip.

11. Is There a Time Limit on the Duration of a Househunting Trip?

A househunting trip should be for a reasonable period, not to exceed 10 calendar days, as authorized by your new manager and DFC.

12. When Must My Househunting Trip be Completed?

You and/or your spouse must complete your househunting trip as indicated in the following table.

For	Your househunting trip must be completed by
You.	The day before you report to your new official station.
Your Spouse.	The earlier of: a. The day before your family relocates to your official station; or b. The day before the maximum time for beginning allowable travel expires.

13. What Methods May SBA Use to Reimburse Me for Househunting Trip Expenses?

SBA will reimburse your househunting trip expenses as indicated in the following table.

For	You are reimbursed
You and/or your spouse's transportation expenses.	Your actual transportation costs.
You and/or your spouse's subsistence expenses.	One of the following: a. A per diem allowance for you and/or your spouse; or b. If you accept SBA's offer of the fixed amount option; and: (1) Both you and your spouse perform a househunting trip either together or separately, a single amount determined by multiplying the applicable locality rate by 6.25, or

	(2) Only one of you performs a househunting trip, an amount determined by multiplying the applicable locality rate by 5.
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14. What Transportation Expenses Will SBA Pay?

Your new manager and DFC will authorize you to travel by the transportation mode(s) (e.g., airline, train, or POV) they determine to be advantageous to the Government. SBA will pay for your transportation expenses by the authorized mode(s). If you travel by any other mode(s), SBA will pay your transportation expenses not to exceed the cost of transportation by the authorized mode(s).

15. Must I Document My Househunting Trip Expenses to Receive Reimbursement?

To receive reimbursement for househunting trip transportation expenses you must itemize your transportation expenses and provide receipts as required. For fixed amount househunting trip subsistence reimbursement, you do not document your subsistence expenses. For per diem househunting trip subsistence expense reimbursement, you must itemize your lodging expenses and you must provide receipts as required.

16. May I Receive an Advance of Funds for Househunting Trip Expenses?

SBA may authorize an advance of funds for your househunting trip expenses. SBA may not advance your funds in excess of the sum of your anticipated transportation costs and either the maximum per diem allowable for the location and duration of your househunting trip, or your fixed amount househunting trip subsistence expenses payment, whichever applies.

17. Am I in a “Duty Status” When I Perform a Househunting Trip?

Yes.

18. How Should Management Administer the Househunting Trip Expenses Allowance?

You should administer the househunting trip expenses allowance to minimize or avoid its use when other satisfactory and more economical arrangements are available.

19. Under What Circumstances May Management Authorize a Househunting Trip?

You may authorize a househunting trip on a case-by-case basis when the employee has accepted the transfer and his/her circumstances indicate that a househunting trip actually is needed. You may not authorize a househunting trip when the purpose of the trip is to assist the employee in deciding whether he or she will accept the transfer.

20. What Factors Must Management Consider in Determining Whether to Offer an Employee the Fixed Amount Househunting Trip Subsistence Expenses Reimbursement Option?

You must consider the following factors.

- a.** Ease of administration. Payment of a per diem allowance requires you to review claims for the validity, accuracy, and reasonableness of each expense amount, except for meals and incidental expenses. Fixed amount househunting trip subsistence expenses reimbursement is easier to administer because you do not have to review expense amounts.
- b.** Cost considerations. You must weigh the cost of each reimbursement option on a case-by-case basis.
- c.** Treatment of employees. The employee is allowed to choose between per diem allowance and fixed amount househunting trip subsistence expenses reimbursement when you offer the fixed amount reimbursement method. You therefore should weigh employee morale and productivity considerations against actual cost considerations in determining which method to offer.

Chapter 7

What Do I Need to Know About Temporary Quarters?

1. What Are “Temporary Quarters”?

The term “temporary quarters” refers to lodging obtained for the purpose of temporary occupancy from a private or commercial source.

2. What Are “Temporary Quarters Subsistence Expenses (TQSE)”?

“Temporary quarters subsistence expenses” or “TQSE” are subsistence expenses incurred by an employee and/or his/her immediate family while occupying temporary quarters. TQSE does not include local transportation expenses incurred during occupancy of temporary quarters.

3. What is the Purpose of the TQSE Allowance?

The TQSE allowance is to reimburse an employee reasonably and equitably for subsistence expenses incurred when it is necessary to occupy temporary quarters.

4. Am I Eligible for a TQSE Allowance?

You are eligible for a TQSE allowance if you are an employee who is authorized to transfer; and

- a. Your new official station is located within the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone are (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements); and
- b. Your old and new official stations are 40 miles or more apart (as measured by map distance) via a usually traveled surface route.

5. Who is Not Eligible for a TQSE Allowance?

New appointees, employees assigned under the Government Employee Training Act, and employees returning from an overseas assignment for the purpose of separation are not eligible for a TQSE allowance.

6. Must SBA Authorize Payment of a TQSE Allowance?

No. SBA determines whether it is in the Government’s interest to pay TQSE.

7. Under What Circumstances Will I Receive a TQSE Allowance?

You will receive a TQSE allowance if:

- a. SBA authorizes it before you occupy the temporary quarters (the authorization must specify the period of time allowed for you to occupy temporary quarters); and
- b. You have signed a service agreement.

8. Who May Occupy Temporary Quarters at Government Expense?

Only you and/or your immediate family may occupy temporary quarters at Government expense.

9. Where May I/We Occupy Temporary Quarters at Government Expense?

You and/or your immediate family may occupy temporary quarters at Government expense within reasonable proximity of your old and/or new official stations. Neither you nor your immediate family may be reimbursed for occupying temporary quarters at any other location unless justified by special circumstances that are reasonably related to your transfer.

10. May My Immediate Family and I Occupy Temporary Quarters at Different Locations?

Yes. For example, if you must vacate your home at the old official station and report to the new official station and your family remains behind until the end of the school year, you may need to occupy temporary quarters at the new official station while your family occupies temporary quarters at the old official station.

11. What Methods May SBA Use to Reimburse Me for TQSE?

SBA will reimburse you for TQSE under the actual expense method unless you opt for the “fixed amount” reimbursement method.

12. Must I Document My TQSE to Receive Reimbursement?

For fixed amount TQSE reimbursement, you do not document your TQSE. For actual TQSE reimbursement, you must document your TQSE by itemizing each expense and providing receipts as required.

13. How Soon May I/We Begin Occupying Temporary Quarters at Government Expense?

As soon as DFC and your new manager have authorized you to receive a TQSE allowance and you have signed a service agreement.

14. How is My TQSE Allowance Affected if My Temporary Quarters Become My Permanent Residence Quarters?

If your temporary quarters become your permanent residence quarters, you may receive a TQSE allowance only if you satisfactorily show that you initially intended to occupy the quarters temporarily. The Office of the Chief Financial Officer, Denver Finance Center will make this decision based on the information you provide.

15. May I Receive an Advance of Funds for TQSE?

Yes. If authorized, you may receive the amount of funds necessary to cover your estimated TQSE expenses for up to 30 days. SBA subsequently may advance additional funds for periods up to 30 days.

16. May I Receive a TQSE Allowance if I Am Receiving Another Subsistence Expense Allowance?

No, with one exception. You may receive a cost-of-living allowance in addition to a TQSE allowance.

17. Am I Eligible for a TQSE Allowance if I Transfer to a Foreign Area?

No. You may not receive a TQSE allowance when you transfer to an area outside the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements). However, you may qualify for a comparable allowance under the Standardized Regulations (Government Civilians, Foreign Areas) prescribed by the State Department.

18. May I Be Reimbursed for Local Transportation Expenses Incurred While I Am Occupying Temporary Quarters?

No. Local transportation expenses are not TQSE, and there is no authority to pay them as such. However, SBA may reimburse you for necessary transportation expenses if you perform local official business travel while you are occupying temporary quarters.

19. What Am I Paid Under the Actual TQSE Reimbursement Method?

SBA will pay your actual TQSE incurred, provided the expenses are reasonable and do not exceed the maximum allowable amount. The “maximum allowable amount” is the “maximum daily amount” multiplied by the number of days you actually incur TQSE not to exceed the number of days authorized, taking into account that the rates change after 30 days in temporary quarters. The “maximum daily amount” is determined by adding the rates in the following table for you and each member of your immediate family authorized to occupy temporary quarters.

The “maximum daily amount” of TQSE under the actual expenses method that

For	You and/or your unaccompanied spouse* may receive is	Your accompanied spouse or a member of your immediate family who is age 12 or older may receive is	A member of your immediate family who is under age 12 may receive is
The first 30 days of temporary quarters.	The applicable per diem rate.	75% the applicable per diem rate.	50% the applicable per diem rate.
Any additional days of temporary quarters.	75% the applicable per diem rate.	50% the applicable per diem rate.	40% the applicable per diem rate.

* (That is, when the spouse necessarily occupies temporary quarters in lieu of the employee or in a location separate from the employee.)

20. May SBA Reduce My TQSE Allowance Below the “Maximum Allowable Amount”?

Yes. If the estimated daily amount of your TQSE is determined in advance to be lower than the maximum daily allowable amount to your expected expenses.

21. What is the “Applicable Per Diem Rate” Under the Actual TQSE Reimbursement Method?

The “applicable per diem rate” under the actual TQSE reimbursement method is as follows.

For temporary quarters located in:	The applicable per diem rate is:
The contiguous United States (CONUS).	The standard CONUS rate.
Alaska, Hawaii, the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States	The locality rate established by the Secretary of Defense or the Secretary of State.

pursuant to the Panama Canal Treaty of 1977 and related agreements).	
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22. When Does My Authorized Period for Claiming Actual TQSE Reimbursement Begin?

The period must begin before the maximum time for beginning allowable travel and transportation expires.

23. How Long May I Be Authorized to Claim Actual TQSE Reimbursement?

SBA may authorize you to claim actual TQSE in 30-day increments, not to exceed 60 consecutive days. However, if there is a compelling reason for you to continue occupying temporary quarters after 60 consecutive days, the Agency may authorize an extension of up to 60 additional consecutive days. Submit your request to the Director, DFC for consideration. Under no circumstances may the Agency authorize you to claim actual TQSE reimbursement for more than a total of 120 consecutive days.

24. What Effect Do Partial Days of Temporary Quarters Occupancy Have on My Authorized Period for Claiming Actual TQSE Reimbursement?

Occupancy of temporary quarters for less than a whole day constitutes 1 full day of your authorized period.

25. When Does My Authorized Period for Claiming Actual TQSE Reimbursement End?

The period ends at midnight on the day proceeding the day you and/or any member of your immediate family occupies permanent residence quarters.

26. May the Period for Which I Am Authorized to Claim Actual TQSE Reimbursement for Myself Be Different From That of My Immediate Family?

No. The eligibility period for which you are authorized to claim actual TQSE reimbursement for yourself and for each member of your immediate family must run concurrently.

27. What Effect Do Partial Days Have on My Actual TQSE Reimbursement?

You may not receive reimbursement under both the actual TQSE allowance and another subsistence expenses allowance within the same calendar day, with one exception: if you claim TQSE reimbursement on the same day that en-route travel per diem ends, DFC will compute your en-route travel per diem under applicable partial day rules and DFC may also reimburse you for actual TQSE you incur after 6:00 p.m. of that day.

28. May I and/or My Immediate Family Occupy Temporary Quarters Longer than the Period for Which I Am Authorized to Claim Actual TQSE Reimbursement?

Yes, but DFC will not reimburse you for any of the expenses you incur during the unauthorized period.

29. What Am I Paid Under the Fixed Amount Reimbursement Method?

If SBA offers and you select the fixed amount TQSE reimbursement method, you are paid a fixed amount for up to 30 days. No extensions are allowed under the fixed amount method.

30. How Do I Determine the Amount of My Payment Under the Fixed Amount Reimbursement Method?

Multiply the number of days SBA authorizes TQSE by 75 percent the maximum per diem rate (i.e., lodging plus meals and incidentals expenses) for the locality of the new official duty station. Then, for each member of your immediate family, multiply the same number of days by 25 percent the same per diem rate. Your payment will be the sum of these calculations.

31. Will I Receive Additional TQSE Reimbursement if My Fixed Amount is Not Adequate to Cover My TQSE?

No.

32. How Should Managers Administer the TQSE Allowance?

Managers must ensure that temporary quarters are used only if and for as long as necessary, until the employee and/or his/her immediate family can move into permanent residence quarters. Managers must administer the TQSE allowance to minimize or avoid other relocation expenses.

33. Under What Circumstances May Management Authorize the TQSE Allowance?

You may authorize a TQSE allowance on a case-by-case basis when use of temporary quarters is justified in connection with an employee's transfer to a new official station. You may not authorize a TQSE allowance for vacation purposes or other reasons unrelated to the transfer.

34. What Factors Should Management Consider in Determining Whether the TQSE Allowance Actually is Necessary?

The factors to consider include the following.

- a.** The length of time the employee should reasonably be expected to occupy his/her residence at the old official station prior to reporting for duty at the new official station. An employee and his/her immediate family should continue to occupy the residence at the old official station for as long as practical to avoid the necessity for temporary quarters.
- b.** The existence of less expensive alternatives. If a less expensive alternative to the TQSE allowance exists that will enable the employee to find permanent quarters at the new official station, you should consider such an alternative. For example, authorize a househunting trip instead of temporary quarters if it would cost less overall.
- c.** The existence of other opportunities to arrange for permanent quarters. Consider whether the employee had other adequate opportunities to arrange for permanent quarters. For example, you should not authorize temporary quarters if the employee had adequate opportunity during an extended temporary duty assignment to arrange for permanent quarters.

35. What Factors Should Management Consider in Determining Whether to Offer an Employee the Fixed Amount TQSE Reimbursement Option?

- a.** Ease of administration. Actual TQSE reimbursement requires the SBA to review claims for the validity, accuracy, and reasonableness of each expense amount. Fixed amount TQSE reimbursement does not require review of expense amounts and is therefore easier to administer.
- b.** Cost considerations. You must weigh the cost of each alternative. Actual TQSE reimbursement may extend up to 120 consecutive days, while fixed amount TQSE reimbursement is limited to 30 days. Actual TQSE reimbursement may be less expensive, since its ceiling is based on the standard CONUS rate, while fixed amount TQSE reimbursement is based on the locality per diem rate. However, fixed amount TQSE reimbursement may be less expensive because the maximum daily rate under actual TQSE reimbursement is a higher percentage of the applicable per diem rate than fixed amount TQSE reimbursement.
- c.** Treatment of employee. The employee is allowed to choose between actual TQSE reimbursement and fixed amount TQSE reimbursement when you offer the fixed amount TQSE reimbursement method. You therefore should weigh employee morale and productivity considerations against actual cost considerations in determining which method to offer.

36. What Factors Should Management Consider in Determining Whether Quarters Are Temporary?

In determining whether quarters are “temporary,” consider factors such as the duration of the lease, movement of household effects into the quarters, the type of quarters, the employee’s expressions of intent, attempts to secure a permanent dwelling, and the length of time the employee occupies the quarters.

Chapter 8

How Do I Get Reimbursed?

1. Who Can Approve My Voucher?

The office head or designee can approve Change of Station vouchers. For more information, check the Authorization/Approval Table in Chapter 2 of this SOP.

2. When Will I Be Paid?

After you and the approving official sign the voucher and forward it to DFC for review. The review and processing of your payment should be done within 1 week of receipt at the Denver Change of Station Desk. If you have electronic deposit, your payment should be in your bank within 3 days after you complete and submit the voucher. If you request a check, you should receive the check within 3 to 5 workdays after processing. (Note: The DFC will only issue checks under extenuating circumstances in order to be in compliance with the Debt Collection Improvement Act of 1996.)

3. Will I Receive a W-2 for These Expenses?

The Denver Change of Station Desk will issue a W-2 at the end of the year showing your total compensation for your move. Therefore, you will receive a W-2 from the National Finance Center for your normal payroll, and a second one from SBA/DFC for your move. For tax reporting purposes, the Withholding Tax Allowance (WTA) is treated as a moving expense. The total amount of your WTA plus the amount of your moving expense reimbursement is included as income. You will be furnished with the IRS Form 4782 that details the moving expenses plus any WTA that was paid.

4. What Forms Must I File for Reimbursement of Real Estate Expenses, Temporary Quarters, and Other Entitlements?

a. You must submit real estate expenses with completed SBA Form 880 and SF 1012 and the following supporting documents attached:

- (1) The sales agreement;
- (2) The purchase agreement;
- (3) Property settlement documents (i.e., the HUD Form 1);
- (4) Loan closing statements; and
- (5) Invoices or proof of payment for bills paid outside of closing (POC).

- b. Temporary quarters reimbursements must include SF 1012 and SBA Form 1417 including receipts for lodging and professional laundry and cleaning expenses.
- c. You must submit original signatures and approvals on all forms. You must ensure all signatures are in an ink color other than black.
- d. All other entitlements will be filed using the SF 1012.

5. What is the Relocation Income Tax (RIT) Allowance and Who is Covered?

- a. An allowance to reimburse employees for most of the additional Federal, State, and local income taxes incurred because of the move (employee or employee and spouse if a joint tax return is filed).
- b. Individuals not covered include:
 - (1) New appointees;
 - (2) Employees assigned under the Government Employees Training Act (see U.S.C. 4109); or
 - (3) Employees returning from overseas assignments to separate.

6. What Expenses or Allowances Does the RIT Allowance Cover?

- a. The RIT allowance covers the following types of expenses or allowances:
 - (1) Meal and incidental expenses allowances for en-route travel;
 - (2) The storage of household goods over 30 days;
 - (3) Expenses for the commuted rate shipment of a mobile home to be used as a primary residence at the new duty station;
 - (4) Travel and transportation expenses to the new duty station to seek permanent residence;
 - (5) Subsistence expenses for the occupancy of temporary quarters;
 - (6) Expenses for the sale of residence, unexpired lease at their old duty station, and the purchase of a residence at the new duty station;
 - (7) Relocation services provided that payments made to the employee constitute income; and

- (8) A miscellaneous expense allowance.
- b. The RIT allowance does not cover any tax liability resulting from the reimbursement of expenses for the following.
 - (1) Non-temporary storage of household goods.
 - (2) Shipment of a POV.
 - (3) Excess payment over the actual expenses paid or incurred. Such as, if the employee's reimbursement is for the shipment of household goods based on the commuted rate and their actual expenses are less than the reimbursement, the tax liability resulting from the difference is not covered.
 - (4) If the employee should choose not to deduct moving expenses for which a deduction is allowable under the Internal Revenue Code or appropriate State and local tax codes.
- c. Additional questions regarding relocation income tax allowance (RIT) should be directed to the Denver Finance Center, Change of Station Desk, Denver, CO at 303-844-3789.

7. What is the Withholding Tax Allowance?

- a. Under IRS regulations, income resulting from reimbursements for taxable moving expenses is subject to the withholding of Federal income taxes. Therefore, SBA pays the withholding tax allowance (WTA) to cover the employee's withholding tax obligation on income resulting from taxable moving expense reimbursements.
- b. Other withholding tax obligations such as Social Security taxes, and State and/or local income taxes are **not** included in the WTA payment.
- c. Taxable rates. Because moving expense reimbursements are supplemental wages for Federal income tax purposes, two flat rates of the Federal Withholding Tax Rate (FWTR) are used to calculate the WTA. For GS-9 and below, the rate is 15 percent. For GS-10 and above, the rate is 28 percent.
- d. How WTA is calculated. The SBA provides you with a detailed calculation at the time you receive reimbursement for your taxable moving expenses. The amount of the WTA is equal to the Federal withholding tax obligation incurred by the employee. The WTA is calculated as follows:

$$\text{Formula: } Y = \frac{X * N}{1 - X} \text{ where } Y = \text{WTA}$$

X = FWTR (15% or 28%)

N= Taxable moving expenses

Example: if X= 28 percent
N= \$1000

then $Y = \frac{.28 * \$1000}{1.00 - .28}$

$Y = \frac{.28 * \$1000}{.72}$

divide .28 by .72, carried out 4 places equals .3889

$Y = .3889 * \$1000$

$Y = \$388.90$

- e. Additional questions regarding withholding tax allowance should be directed to the Denver Change of Station Desk at 303-844-3789.

8. Who Does DFC Contact to Determine Reasonableness of Real Estate Expenses?

- a. The local office of the Department of Housing and Urban Development (HUD) where the real estate expenses occurred. This local office will furnish:
- (1) A current HUD Form 92496, "Schedule of Closing Costs," for the area; and
 - (2) Current information about local custom and practices concerning closing costs, including which charges the buyer and seller normally incur.

9. What Are FEDTAX Procedures?

- a. When Federal income taxes are withheld from the taxable entitlement, they are deposited with the Internal Revenue Service (IRS), through FEDTAX, an electronic direct deposit system.
- b. At the end of the Quarter SBA/DFC submits the quarterly IRS Form 941, "Employer Tax Return."

10. What Are State Tax Procedures?

SBA/DFC deposits any taxes withheld by procedures established by the State. State taxes are withheld in the State where your primary residence is at the time SBA/DFC makes payment.

11. How Does SBA/DFC Notify Me When the Payment Has Been Processed?

SBA/DFC notifies you through the e-mail system with a detailed statement showing:

- a.** What was paid;
- b.** How much was deducted for Social Security/Medicare taxes;
- c.** State and local taxes withheld; and
- d.** Any expenses that were disallowed.

APPENDIX 1

Index to Forms and Reports

Form Number	Form Name	Documentation Needed or Supplied on Form
SBA Form 785	Change of Station Approval Request & Travel	Provides authorization for an employee to incur reimbursable relocation expenses (paragraph 2-1(c)).
SBA Form 749	Employee Agreement	A signed agreement stating the employee understands and agrees to stay employed with the Federal Government for 1 year after reporting to the new duty station (paragraph 3-2(b)).
SBA Form 2072	Statement	By signing this form, the employee affirms that he/she understands the Government will prepay any Federal taxes, and the employee must submit an application for Relocation Income Tax Allowance (paragraph 3-2(c)).
IRS W-2	Wage and Tax Statement	Reflects an employee's income and taxes paid for that year (paragraph 3-8).
SF 1012	Travel Voucher	The employee must fill out and submit for reimbursement of travel expenses associated with the relocation (paragraph 3-9(a)).
SBA Form 1417	Temporary Quarters Subsistence Expenses	The employee must fill out and submit for reimbursement of costs for temporary living space (paragraph 3-9(b)).
SBA Form 880	Employee Application For Reimbursement of Expenses Incurred Upon Sale or Purchase (Or Both) of Residence Upon Change of Official Station	The employee must submit this form upon sale and/or purchase of the employee's primary residence (paragraph 3-9(c)).
SBA Form 21	Travel Authorization	The employee must ensure this form is completed and signed by his/her new supervisor prior to incurring any travel expenses related to his/her relocation (paragraph 3-9(d)).
SF 1130b	U.S. Government Bill of Lading Memorandum Copy-Consignee	Provides additional instructions in case of a loss or damage to an employee's belongings during a relocation (paragraph 4-2(c)).
IRS Form 4782	Employee Moving Expense Information	Provides the details of the employee's moving expenses (paragraph 8-3).
FHA Form 2496	Schedule of Closing Costs	Outlines the costs an employee can expect when closing on a home (paragraph 8-8).
IRS Form 941	Employer Tax Return	A report submitted by SBA reflecting the taxes paid on a quarterly basis (paragraph 8-9(b)).

APPENDIX 2

U.S. SMALL BUSINESS ADMINISTRATION CHANGE OF STATION APPROVAL REQUEST AND TRAVEL AUTHORIZATION		DAO CONTROL NO. (Central Office use only)	
EMPLOYEE NAME	SOCIAL SECURITY NO.	PROPOSED DATE	
TRANSFERRING FROM	OFFICIAL STATION	POSITION	GRADE
TRANSFERRING TO	OFFICIAL STATION	POSITION	GRADE
MODE OF TRANSPORTATION	CAR, AIR, RAIL, ETC.	MILEAGE IF BY CAR	RATE
			EST. COST \$ (2160)
FAMILY WILL TRAVEL	<input type="checkbox"/> WITH EMPLOYEE	SEPARATE FROM EMPLOYEE <i>If separate, family will travel:</i>	
	DATE	BY CAR, AIR, RAIL, ETC.	EST. COST \$ (2160)
PER DIEM	EMPLOYEE \$ (2160)	FAMILY \$ (2160)	EST. COST \$
HOUSEHOLD GOODS: (TO BE CHECKED BY CENTRAL OFFICE) <input type="checkbox"/> MUST BE SHIPPED VIA GBL <input type="checkbox"/> COMMUTED RATE ALLOWABLE	<input type="checkbox"/> WILL BE MOVED	<input type="checkbox"/> WILL NOT BE MOVED	
	<i>If yes:</i> APPROXIMATE DATE	EST. WEIGHT	EST. COST \$ (2220)
	<input type="checkbox"/> WILL BE STORED	<input type="checkbox"/> WILL NOT BE STORED	
	<i>If yes:</i> NUMBER OF MONTHS		EST. COST \$ (2570)
HOUSE HUNTING TRIP	<input type="checkbox"/> WILL BE NEEDED <i>(Show reason under Remarks)</i>		<input type="checkbox"/> WILL NOT BE NEEDED
	<i>If yes:</i> MODE OF TRANSPORTATION	EST. NUMBER OF DAYS Beginning Date	EST. COST \$ (1240)
TEMPORARY QUARTERS	<input type="checkbox"/> WILL BE NEEDED		<input type="checkbox"/> WILL NOT BE NEEDED
	<i>If yes:</i> EST. NUMBER OF DAYS		EST. COST \$ (1240)
REAL ESTATE EXPENSES	Expenses in connection with real estate transactions or unexpired leases: <input type="checkbox"/> WILL BE INCURRED <input type="checkbox"/> WILL NOT BE INCURRED		EST. COST \$ (1241)
WITHHOLDING TAX ALLOWANCE (WTA) & RELOCATION INCOME TAX (RIT) ALLOWANCE	Reimbursement to employee for additional Federal, State, and Local Income Taxes incurred as a result of certain relocation expense reimbursement. Enter 25% of est. cost for real estate expense. If no re/Enter 25% of total est. cost.		EST. COST \$ (1241)
MISCELLANEOUS EXPENSES			EST. COST \$ (1240)
SIGNATURE OF EMPLOYEE		TOTAL ESTIMATED COST	\$
MEMBERS OF FAMILY <i>(Use reverse, if necessary)</i>			
NAME	AGE	RELATIONSHIP	
		SPOUSE	
Justification for Proposed Transfer and Alternative, if Any: <i>(Must be completed by recommending official)</i>			
I certify the change of official station indicated is in the interest of the Government and is not primarily for the convenience or benefit of the employee or of his request.			
SIGNATURE AND TITLE OF DESIGNATED RECOMMENDING OFFICIAL		BUDGETARY CODE	DATE
<input type="checkbox"/> CONCURRENCE AND CERTIFICATION THAT EMPLOYMENT AGREEMENT EXECUTED <input type="checkbox"/> NONCONCURRENCE (SEE COMMENTS ON REVERSE)		DIRECTOR, OFFICE OF PERSONNEL	DATE
When approved, this becomes Official Travel Order <input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (SEE COMMENTS ON REVERSE)		DESIGNATED APPROVING OFFICIAL	DATE
REMARKS			

SBA Form 785 (6-87) REF: SOP 2015 PREVIOUS EDITIONS ARE OBSOLETE
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Instructions for the completion of SBA Form 785, "Change of Station Approval Request and Travel Authorization."

- 1. Your name.**
- 2. Your Social Security Number.**
- 3. The Date of Transfer.**
- 4. Transferring From:**
 - a. Your old duty station.**
 - b. Your current position.**
 - c. Your current grade.**
- 5. Transferring To:**
 - a. Your new duty station.**
 - b. Your new position.**
 - c. Your new grade.**
- 6. Mode of Transportation.**
 - a. Select mode of transportation.**
 - b. If by car:**
Using standard highway mileage guides, get mileage from old duty station to new duty station, the mileage rate is \$.15 per mile.
If by air, train, etc.:
Use standard contract airfare.
 - c. Your estimated transportation cost.**
- 7. Families mode of transportation.**
 - a. Select whether or not the family will travel with you.**
 - b. Date family will travel.**
 - c. If by car:**
Using standard highway mileage.
 - (1) If your spouse accompanies you:**
 - (a) You have no authorization for second car, \$.02;**
 - (b) Second car authorized, \$.15;**
 - (c) \$.02 per dependent not to exceed \$.05;**
 - (2) If unaccompanied:**
See b. and c. above.
 - d. If by other means see 6.c. above.**
- 8. Per diem.**
 - a. Your expenses must not exceed \$80.00 per day times the estimated number of days en-route.**
 - b. Your families expenses must not exceed:**
 - (1) Accompanied spouse and dependents 12 and over, \$60.60 per day;**
 - (2) Dependents under 12, \$40.00 per day;**
 - (3) Unaccompanied rate for spouse, see 8. a. above; and**
 - (4) All other rates remain the same.**
- 9. Household Goods.**
 - a. Select either the GBL or commuted rate block.**
 - b. Select "will be moved" or "will not be moved."**

- c. **If will be moved is checked:**
Estimate the date you will move your household goods.
 - d. **Estimate the weight of the shipment, at 1500 lbs. per room (don't include the bathroom).**
 - e. **Contact SBA/DFC COS desk for the cost estimate.**
 - f. **Select will be stored or will not be stored.**
 - g. **If will be stored:**
Estimate the number of days, not to exceed 90 days.
 - h. **Contact SBA/DFC COS desk for the cost estimate.**
- 10. Househunting Trip.**
- a. **Select will be or will not be needed.**
 - b. **If it will be needed:**
Estimate number of days not to exceed 10 and the beginning date of travel.
 - c. **Will spouse accompany, yes or no?**
 - d. **Estimated cost includes:**
 - (1) **Cost for mode of transportation.**
 - (2) **Per diem:**
 - (a) **If accompanied, local maximum per diem and $\frac{3}{4}$ for accompanied spouse per day.**
 - (b) **If unaccompanied, local maximum per diem per day, for employee or spouse.**
 - (3) **Ground transportation expenses.**
 - (4) **Rental car costs, if airfare chosen.**
- 11. Temporary Quarters.**
- a. **Select will be needed or will not be needed.**
 - b. **If needed:**
 - (1) **Employee or unaccompanied spouse:**
\$80.00 first 30 days / \$60.00 second 30 days;
 - (2) **Accompanied spouse and dependents 12 and over:**
\$53.33 first 30 days / \$40.00 second 30 days; and
 - (3) **Dependents under 12:**
\$40.00 first 30 days / \$30.00 second 30 days.
- 12. Real estate**
- a. **Select will be incurred or will not be incurred.**
 - b. **If will be incurred:**
 - (1) **10 percent of the estimated sale price.**
 - (2) **5 percent of the estimate sale price.**
- 13. WTA, FICA/Medicare:**
- a. **For GS-10 and above:**
Items 10 - 12, and 14 times 0.3889;
For under GS-10:
Items 10 - 12, and 14 times 0.1765.
 - b. **Medicare:**
Items 10 - 14 times 0.0145.
 - c. **FICA:**

Items 10 - 14 times .062.

- d. Total is the sum of a + b + c.**
- 14. Miscellaneous expenses:**
 - a. \$350.00 for single or unaccompanied employee.**
 - b. \$700.00 for accompanied employee.**
- 15. Total estimated cost.**
- 16. Your signature.**
- 17. The names of your spouse and your dependents.**
- 18. Recommending official's justification for transfer.**
- 19. Signature of recommending official and date.**
- 20. Budgetary code.**
- 21. Office of Human Resources signature and date, also check concurrence or non concurrence.**
- 22. Approving official's signature and date, also check approved or not approved.**
- 23. Travel order number:**
 - a. Nine digits:**
 - 1. Fiscal year, i.e. 96;**
 - 2. Funding office location code (4 digits); and**
 - 3. Sequential numbers (4 digits).**
- 24. Remarks:**

Any necessary justifications, i.e., 2nd auto, professional books.
If you have any questions concerning necessary justifications contact the COS desk.

APPENDIX 3

SMALL BUSINESS ADMINISTRATION

EMPLOYMENT AGREEMENT

I, _____ hereby agree to remain in the service of the United States Government for 12 months following my transfer or appointment unless separated for reasons beyond my control, which are acceptable to the Small Business Administration.

In case of violation of this agreement, it is understood that any moneys expended by the United States for travel, transportation, or other allowances in connection with this transfer or appointment to my post of duty station at _____ shall be recoverable from me as a debt due the United States.

Signature of Employee Date

Instructions: Prepare in quadruplicate and distribute as follows:

Original to be filed in employee's official personnel folder.

One signed copy to be sent to the Payroll Section, Office of Accounting Operations, for filing in the employee's account folder.

Two copies to be given to the employee, who shall submit one signed copy to the Fiscal Examination Branch, Denver, attached to his or her reimbursement voucher.

Instructions for the completion of SBA Form 749, “Employment Agreement,” and SBA Form 2072 “Statement.”

You must sign these forms at the time you complete the SBA 785 since the DFC/AAB Change of Station Desk cannot process any requests for travel advances or any claims for reimbursement without these forms.

APPENDIX 4

SMALL BUSINESS ADMINISTRATION									
NAME: <u>1)</u>			TEMPORARY QUARTERS			DATE: <u>2)</u>			
SOCIAL SECURITY NUMBER: <u>3)</u>			SUBSISTENCE EXPENSES			AUTHORIZATION NUMBER: <u>4)</u>			
DAY	DATE	LODGING	MEALS	TIPS	LAUNDRY	CLOTHES CLEANING	DAILY TOTAL	REMARKS	
1st	5/6/1	50.00	42.00	8.40			100.40		
2nd	2		200.00			30.00	280.00		
3rd	3		5.00	1.00			56.00		
4th	4		8.00	1.60	10.00		69.60	COIN-OP LAUNDRY	
5th	5		15.00	3.00			68.00		
6th	6		20.00	4.80			74.00		
7th	7		23.00	4.60			77.60		
8th	8		24.50	4.90			79.40		
9th	9		7.00	1.40			58.40		
10th	10		250.00				300.00		
11th	11		6.00	1.20			57.20		
12th	12		8.00	1.60	12.50		72.10	COIN-OP LAUNDRY	
13th	13		9.00	1.80			60.80		
14th	14		15.00	3.00			68.00		
15th	15		30.00	6.00			86.00		
16th	16		16.00	3.20		10.00	79.20		
17th	17		150.00				200.00		
18th	18		4.00	.80	15.00		69.80	COIN-OP LAUNDRY	
19th	19		15.00	3.00			68.00		
20th	20		21.50	4.30			75.80		
21st	21		16.00	3.20			69.20		
22nd	22		24.25	4.85			79.10		
23rd	23		19.75	3.95			73.70		
24th	24		22.00	4.40	8.00	15.00	99.40	COIN-OP LAUNDRY	
25th	25		175.00				225.00		
26th	26		4.75	.95			55.70		
27th	27		6.25	1.25			57.50		
28th	28		10.00	2.00			62.00		
29th	29		21.00	4.20			75.20		
30th	30		30.00	6.00	12.00		98.00	COIN-OP LAUNDRY	
TOTAL SUBSISTENCE:		1500.00	1698.00	84.60	57.50	55.00	2895.10		
Per Diem Basis for 1st 30 days		Employee or Spouse unaccompanied by employee: 30 days @ \$66.00 = 1980.00		=		1980.00		* Claim the lesser of these two amounts	
		Accompanying Spouse: 30 days @ \$44.00 = 1320.00		=		1320.00			
		1 dependents 12 years or older: 30 days @ \$44.00 = 990.00		=		990.00			
		1 dependents under 12 years: 30 days @ \$33.00 = 5610.00		=		5610.00			
Total per diem								2895.10*	
Employee's Signature: <u>15)</u>			Date: _____						
Note: Receipts must be attached to reimbursement voucher for lodging, laundry and clothes cleaning. If coin operated equipment is used, so indicate.									

Instructions for the completion of SBA Form 1417, "Temporary Quarters Subsistence Expenses."

- 1. Your name.**
- 2. Date of preparation.**
- 3. Your Social Security Number.**
- 4. Authorization number.**
- 5. The date you started temporary quarters.**
- 6. Your actual lodging costs:**
 - (1) If a daily rate that is the cost you show; or**
 - (2) If a weekly or monthly rate, you prorate over the actual period.**
- 7. Your actual meal expenses.**
- 8. Tips incurred in conjunction with meals and lodging.**
- 9. Actual laundry costs, these costs are not prorated.**
- 10. Actual clothes cleaning costs.**
- 11. Actual daily totals.**
- 12. Remarks, i.e. coin operated laundry.**
- 13. Total for your 30 day period.**
- 14. Days in lodging times the maximum allowance, used for comparison to your actual expenses.**
- 15. Your signature and date.**

APPENDIX 5

SMALL BUSINESS ADMINISTRATION
 EMPLOYEE APPLICATION FOR REIMBURSEMENT OF EXPENSES INCURRED
 UPON SALE OR PURCHASE (OR BOTH) OF RESIDENCE UPON CHANGE OF OFFICIAL STATION

I. EMPLOYEE - CLAIMANT		Check applicable box: earlier <input checked="" type="checkbox"/> and real estate expenses sub- <input type="checkbox"/> mitted for this transfer: <input type="checkbox"/> YES <input type="checkbox"/> NO
Name <u>a</u>	Mailing Address (include ZIP Code) <u>b</u>	
II. TRANSFER DATA:		
Old Official Station <u>a</u>	New Official Station <u>b</u>	Date of Notification of impending Transfer: <u>c</u>
Travel Authorization Date <u>d</u>	Date Reported for Duty at New Official Station <u>e</u>	Date Service Agreement Signed <u>f</u>
III. RESIDENCE PROPERTY DATA:		
	(At Old Official Station)	(At New Official Station)
Complete Address of Residence (include ZIP Code)	<u>a</u>	
Number of Dwelling Units on Property	<u>b</u>	
Sale and/or Purchase Price	<u>c</u>	
Date of Closing Settlement	<u>d</u>	
Amount of Expense Being Claimed	<u>e</u>	
EMPLOYEE CERTIFICATIONS:		
I hereby certify that the amount claimed in connection with the above sale represents only amounts actually paid by me and that title to the property was in my name and/or a member of my immediate family and was by residence when first informed of my transfer. <u>a</u> (Signature of Employee) (Date)		I hereby certify that the amount claimed in connection with the above purchase represents only amounts actually paid by me and that title to the property is in my name and/or a member of my immediate family and is my new residence. <u>b</u> (Signature of Employee) (Date)
IV. APPROVALS:		
A. SALE EXPENSES The expenses of the sale applied for above are hereby approved as being (1) reasonable in amount and (2) customarily paid by a seller in the locality where the property is located. <input type="checkbox"/> As Claimed. <input type="checkbox"/> As Reduced, Per Attached Memo. <u>a</u> (Signature) (Date) (Title)		B. PURCHASE EXPENSES The expenses of the purchase applied for above are hereby approved as being (1) reasonable in amount and (2) customarily paid by a buyer in the locality where the property is located. <input type="checkbox"/> As Claimed. <input type="checkbox"/> As Reduced, Per Attached Memo. <u>b</u> (Signature) (Date) (Title)
INSTRUCTIONS		
A. EMPLOYEE-CLAIMANT:		
1. Prepare application in triplicate, completing Parts I, II, and III of face, and enter all applicable amounts and totals on reverse side.		
2. Attach one complete set of documents required to support claim—sales agreement between buyer and seller, settlement or loan closing statement, invoices and statements to support other items claimed for reimbursement, etc. These should be photo or picture copies, as they will not be returned. Be sure you have signed the employee certification(s).		
3. Prepare and attach an appropriate agency travel voucher form (SF 1012). Record total amounts claimed on this form on the travel voucher.		
4. Submit original and first copy of application and supporting documentation, together with SF 1012, to the head of your office at the old official station. Retain the second copy of the application.		
B. HEAD OF OFFICE:		
1. For Sales: Execute item IV. A. approval (original and copy) and forward the package to the head of office of employee's new official station.		
2. For Purchases: Approval of the claim must be executed by the head of the office, or his designee, at claimant's new official station (item IV. B.).		
3. Administrative Approval. Final administrative approval of payment of the claim must be executed by an appropriate approving official on SF 1012.		
C. FISCAL OFFICE:		
The fiscal office shall determine, in accordance with the provisions of Federal Travel Regs. (FFMRR 101-7), the propriety of all reimbursements claimed (except with regard to reasonableness and whether customarily paid) in this connection; all vouchers for reimbursement of real estate expenses incident to the same transfer shall be examined.		

SBA FORM 880 (10-84) SOP 20 15 PREVIOUS EDITIONS ARE OBSOLETE

Instructions for the completion of SBA Form 880, "Employee Application for Reimbursement of Expenses Incurred Upon Sale or Purchase (or Both) of Residence Upon Change of Official Duty Station."

- I. Employee – Claimant:**
 - a. Name.
 - b. Mailing address.
 - c. Self-explanatory.
- II. Transfer data:**
 - a. Old official duty station.
 - b. New official duty station.
 - c. The day they notified you of your transfer.
 - d. The day they signed your SBA 785.
 - e. The day you reported for duty at your new official duty station.
 - f. The day you signed your Service Agreement.
- III. Residence information:**
 1. Old official duty station/new official duty station:
 - (a) Complete address including zip code;
 - (b) Number of units on property, i.e., if there is a duplex on the property there are 2 units;
 - (c) Price of sale or price of purchase;
 - (d) Your date of closing; and
 - (e) Amount claimed.
 2. Your signature certifying that these are the expenses you actually incurred.
- IV. Approvals:**
 1. These approvals certify that these expenses are normal and customary for either area for the sale or purchase.
 - (a) For the sale this is normally the office head at your old duty station.
 - (b) For the purchase this is the office head at your new duty station.

Page 2 Breakdown of Expenses Claimed:

1. Sale:
 - (a) Real estate commission.
 - (b) Advertising expense if there is no commission paid.
 - (c) Appraisal fee.
 - (d) Legal and related costs. (If more than one cost is claimed you can put one cost in this block but you must show a breakdown from your settlement sheet, i.e., HUD Form 1 or the settlement sheet provided by your closing agents.)
 - (e) Miscellaneous expenses.
 - (1) Prepayment charge, the amount required by your mortgage or other documents showing prepayment is required;

- (2) Lender's appraisal fee; only one appraisal fee may be paid.
 - (f) FHA or VA application fee, not a funding fee as this is a finance charge.
 - (g) Fees for inspections required by the lender as a condition of the mortgage.
 - (h) Mortgage title insurance.
(If required by State law the seller will be reimbursed for the owner's portion of this insurance.)
 - (i) Escrow agent's fee.
 - (j) Fees for State, county, city revenue stamps.
 - (k) Sales or transfer taxes; or mortgage tax.
 - (l) Other incidental expenses; not detailed above.
 - (m) Total former residence, not to exceed 10 percent of the sale price.
2. Purchase:
- (a) Legal and related costs, as detailed above.
 - (b) Lender's appraisal fee.
 - (c) Loan origination fee, not to exceed 1 percent of the purchase fee.
 - (d) FHA or VA application fee.
 - (e) Inspections, normally a seller's cost, must be explained.
 - (f) Credit report.
 - (g) Mortgage title insurance. (Only the portion charged for the lender's title insurance can be claimed.)
 - (h) Escrow agent's fee.
 - (I) State, county, or city revenue stamps.
 - (j) Sales or transfer taxes and mortgage tax.
 - (k) Other incidental expenses.
 - (l) Total new residence not to exceed 5 percent of the purchase price.
3. If the property has multiple family units, reimbursement is for the portion that is your primary residence.